



## INFLUENTIAL LEADERS

### INFLUENTIAL LEADERS IN SAN DIEGO

#### REAL ESTATE

## Fred Pierce

Pierce is a loyal San Diego State University alumnus who not only continues to give back to his alma mater, but has built his business around it. He was given the opportunity to redevelop land surrounding SDSU in 1995, which is when he recognized the potential to develop student housing.

He founded Pierce Educational Properties 22 years ago and, as CEO and president, has developed it into a national company, with properties across more than 20 campuses around the country. Last year was a record breaking year for the company in this niche field as it recorded approximately \$10 billion in student housing sales, thanks to portfolios that were sold. Pierce expects 2017 will be a good year, but it won't rival 2016.

"2016 was our biggest year ever," he said. "We acquired six properties worth about \$200 million. We'll do about \$75 million to \$100 million this year, but last year was unusual growth for us." Pierce Educational Properties acquired 1,000 beds this year with properties at the University of South Florida and the University of Virginia, bringing the company to 21,000 beds total and placing it among



### Pierce Education Properties

PRESIDENT AND CEO

the top 15 student housing companies in the U.S.

He is bullish about the market, despite President Donald Trump's restrictions on work permits for international students,

which Pierce said may have led to a drop in enrollment but will not affect the student housing market too much.

"There's a small group of us who've been in this niche for a long time, and we're here to stay," he said. "There have been new entrants who realized that it's more management intensive than they thought and learned some lessons the hard way."

Student housing doesn't require more repairs or maintenance than other apartments, but it does need larger staffing ratios, Pierce said. His company has simple but effective strategies that help ensure students renters follow the rules. A community assistant resides in the building, and inspections are carried out every quarter. If there are damages, students are asked to pay, and if they don't, their internet access is cut off. Their parents, who are co-signees on the lease, are also called.

"Now you tell me, which student wants you to call their parents? And which college student will go without internet for even a day?" Pierce asked. "We know a lot about millennials, and how to handle them."

Pierce also is chairman of the Fowler College of Business at SDSU.

— Padma Nagappan